

**To:** Interested Parties  
**Fr:** Motion Picture Association of America  
**Da:** March 19, 2013  
**Re:** Fundamental tenets of good copyright policy

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From the printing press, to motion pictures, to recorded sound, to the Internet, for its entire history, copyright law has evolved and developed in response to new developments in technology and the marketplace. The result is that today the U.S. copyright system is a cornerstone of a vibrant creative economy that is unparalleled in the world – adding \$631 billion and over 7.5 million direct and indirect jobs in 2010 [[Department of Commerce, IP and the U.S. Economy study](#)], and making the United States a world leader in creativity, technological innovation and economic growth.

MPAA member companies welcome a continuation of the ongoing discussion of the importance of copyright. We welcome a discussion based on facts, experience, and rational analysis. And we are confident that such a discussion will result in a renewed affirmation of the benefits to all of a copyright law that encourages and rewards creativity and breakthrough innovation, promotes distribution and enjoyment of America's most beloved stories and characters, and takes a firm stand against the criminals who would rob us of those.

Accordingly, we believe that any such discussion should focus on some fundamental tenets that form the basis of modern American copyright policy and that are absolutely integral to any meaningful and informed discussion of intellectual property protection.

- **Copyright Empowers Creativity, Innovation and the Dissemination of Knowledge**

The promise of the opportunity to make a living doing what they love is what gives a creator incentive to transform his or her new ideas into reality and to take that new creation to the public. Creators deserve to be secure in the knowledge that they have a fair chance to earn a wage from their work and investment -- the works that contribute both to our shared culture and our national economy. The Constitution itself recognizes that the public's interest in creativity and the dissemination of knowledge is best served by the incentives that result from recognizing authors' and creators' rights. If our creative sector is to remain the envy of the world, the law must ensure these public-interest purposes of copyright are not undercut.

Take Digital Rights Management technology, for example. Without the protection of effective DRMs, the business incentive to develop new and innovative distribution models, like UltraViolet, across multiple devices and platforms is lost. The technological and legal protections provided by current law allow content to be portable, enabling consumer flexibility on how to access it. Under current copyright law, the choice and cost curves are both bending in the consumer's direction.

- **Copyright Benefits Consumers by Promoting Free Markets and Competition**

Copyright as it is reflected in both the Constitution and in current law recognizes that the public benefits from a competitive environment in which clearly-defined property rights enable the market to drive the creation and dissemination of creative works. These rights foster competition because they incentivize creators to take risks. They encourage economic development and economic diversity. That's good for the consumer and good for the economy.

Enforcement of existing copyright laws is also essential to ensure that illegitimate websites that profit from the illegal sale of content do not have an economic advantage over the innovative platforms that our companies develop to deliver high-quality content to consumers. Undermining copyright law would serve as a disincentive for future technological development and would harm consumers.

- **Copyright Supports an Internet that Works For Everyone**

There are those who would place the value of the Internet at odds with copyright. We reject that false choice. Freedom of expression is at the bedrock of both the Internet and the creative community. In considering policies surrounding the Internet, we need to recognize what the Supreme Court has stated repeatedly – that copyright is itself an “engine of free expression.” Not only does copyright itself promote creativity, but creative content has plays an important role in helping to promote the growth of the Internet. As we look at policy affecting the Internet, we must advance policies to promote an Internet that reflects the values that have been fundamental to us for hundreds of years, including freedom of expression, property rights, and protection of the rights of individuals. Good policy stays true to these values, resisting efforts that would pit one against another and recognizing instead that these values are mutually reinforcing.

- **Copyright Provides Creators with Modern Protections**

Copyright law evolves over time. The last major overhaul of copyright law was the result of decades of Congressional work, much of it focused on fashioning a law that would be flexible enough to accommodate future technological change. But technology and the marketplace often evolve faster than the law. Fortunately, copyright law also provides the space for the private sector to collaborate to develop more immediate solutions. Content creators and intermediaries can and do engage in meaningful conversations about how to protect a secure, legitimate online environment for both creators and audiences. Any discussion of copyright law must include recognition of the critically important role that voluntary agreements play in ensuring the content and tech industries can both remain nimble in a rapidly-changing world.

- **Copyright Provides for Incentives and Accountability**

The public interest in the creation of and dissemination of creative and innovative products cannot be served in an environment in which some are free to build businesses based on the infringement of the rights of others. As infringement grows more widespread, sound copyright policy must recognize that the solution to such problems is

in society's broad interest. Any review of copyright must focus on whether the system as a whole provides for meaningful accountability on the part of those who infringe the rights of others, and whether there are adequate incentives for cooperation and accountability among other stakeholders.